United Nations DP/2015/27

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

Distr.: General
28 July 2015

Original: English

Second regular session 2015
31 August-4 September 2015, New York
Item 4 of the provisional agenda
Funding commitments

Status of regular funding commitments to the United Nations Development Programme and its associated funds and programmes for 2015 and onward

Summary

This report presents the status of regular funding commitments for 2015 and onward, as well as a summary of the income for regular and other resources received in 2014[1].

Elements of a decision

The Executive Board may wish to note that in 2014, contributions to regular resources[2] decreased by 11 per cent, to $793 million, from $896 million in 2013, due to reduced contributions from 10 donors; currency fluctuations; and non-receipt of contributions intended for 2014. In 2014, 56 Member States contributed to regular resources, the same number as in 2013. Total contributions (regular and other resources) to UNDP decreased to $4.59 billion[3] in 2014, from $4.69 billion in 2013.

The Executive Board may wish to note that, as of June 2015, UNDP had received 49 per cent of the regular resources projected for 2015. Subject to confirmation by some Member States, and exchange rate fluctuations, 2015 regular resources are projected at approximately $700 million. Together with the $793 million received in 2014, the total amounts to 85 per cent of the $1.75 billion integrated budget target for 2014-2015.

The Executive Board may wish to: (a) take note of documents DP/2015/27, DP/2015/26 and DP/2015/26/Add.1; (b) note the importance of regular resources, which form the bedrock of the organization as they allow UNDP to plan ahead; be strategic and responsive; strengthen accountability, transparency and oversight; advance United Nations coherence and coordination; and provide predictable, differentiated services across programme countries, particularly the poorest and most vulnerable; (c) urge Member States to prioritize regular resources and other resources that are flexible, predictable, less earmarked and aligned to the outcomes of the strategic plan, 2014-2017; (d) urge Member States that have not yet provided their contributions to regular resources for 2015 to do so, as early as possible; (e) recall the importance of funding predictability and timeliness of payments to avoid liquidity constraints in regular resources; (f) urge Member States to announce and adhere to multi-year pledges and payment schedules; and (g) urge Member States to continue their dialogue with UNDP on shifting to less restricted and less 'earmarked' non-core funding.

[1] The present report includes contributions to UNDP regular resources and to UNDP other resources as detailed in chapter I. Contributions to the funds and programmes administered by UNDP are referred to in dedicated paragraphs in this report and are not included under contributions to UNDP.

[2] Figures reflect amounts received in a specified calendar year.

[3] Excludes contributions related to reimbursable support services and miscellaneous activities, details of which can be found in the annual review of the financial situation (DP/2015/26).

15-12776 (E) 300715

Please recycle

Contents

Chapter		*Page*
I.	Introduction	3
II.	Volume of contributions	3
	A. Overall contributions to UNDP	3
	B. Contributions to UNDP regular resources	3
	C. Contributions to UNDP other resources	6
III.	Predictability	7
IV.	Diversifying the donor base	8
V.	The United Nations Capital Development Fund and the United Nations Volunteers programme	10
VI.	Conclusion	12

I. Introduction

1. As prescribed by Executive Board decision 98/23, this report presents the status of regular funding commitments for 2015, as of June 2015, as well as a summary of contributions to regular and other resources received in 2014.

2. In its decisions 2013/27 and 2013/28, the Executive Board approved the strategic plan, 2014-2017 (DP/2013/40), and the integrated budget estimates for 2014-2017 (DP/2013/41).

3. The strategic plan provides the foundation for UNDP to become more focused, results-driven, effective, and efficient. The integrated budget covers the same four-year period as the strategic plan, and includes all budgetary categories, with an improved results focus and linkage with the strategic plan.

4. The integrated budget improves transparency, harmonization and comparability with the integrated budgets of UNFPA, the United Nations Children's Fund (UNICEF), and UN-Women. It also includes an integrated resources plan reflecting contribution estimates for both regular and other resources.

5. To reach the goals of the strategic plan, become a more focused, results-driven, effective and efficient organization, and support the implementation of the post-2015 development agenda, UNDP relies on the availability, predictability, quality and flexibility of its funding.

6. General Assembly and Economic and Social Council resolutions 67/226, 2013/5, 2014/4, A/C.2/69/L.3, and E/2015/L.3 stress that core resources, because of their untied nature, continue to form the bedrock of the operational activities of the United Nations system, and recognize the need to address, on a continuous basis, the imbalance between regular and other resources.

II. Volume of contributions

A. Overall contributions to UNDP

7. Overall contributions to UNDP amounted to $4.59 billion[4] in 2014, compared to $4.69 billion in 2013. The ratio of regular to other resources has moved closer to 1:5 in 2014, from approximately 1:4 in 2013 and prior years.

8. In its resolution 67/226, the General Assembly noted with concern that the share of regular resources to United Nations funds and programmes had declined in recent years. For UNDP, the Executive Board, in its decision 2012/10, noted the trend towards the increased use of highly 'earmarked' contributions and, in its decision 2013/13, reiterated the need to address the imbalance between regular ('core') and other ('non-core') resources.

9. Building on General Assembly resolution 64/289 on system-wide coherence, and General Assembly and Economic and Social Council resolutions on the quadrennial comprehensive policy review, UNDP is consulting with the Board to ensure that the mandated principles of predictability, universality and progressivity can be sustained.

B. Contributions to UNDP regular resources

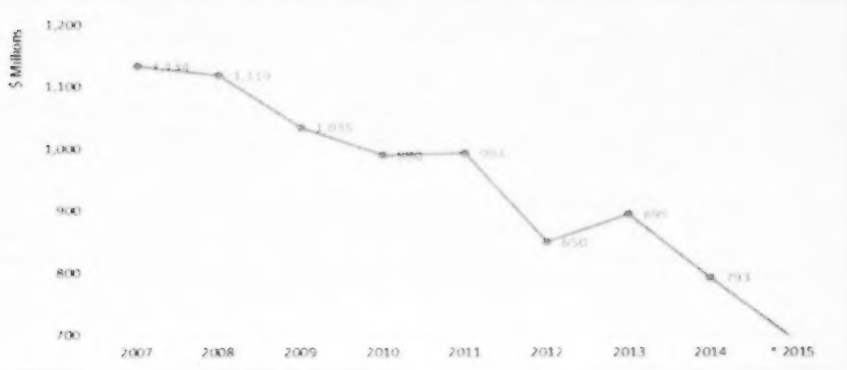
10. Increasing financial contributions to UNDP, particularly regular resources, is key to achieving internationally agreed development goals. Member States recognize the mutually reinforcing links between increased effectiveness, efficiency and coherence, achievement of development results, and the overall resourcing of UNDP.

[4] Excludes contributions related to reimbursable support services and miscellaneous activities, details of which can be found in the annual review of the financial situation (DP/2015/26).

11. Numerous decisions of the Executive Board stress the importance of regular resources for UNDP[5], since they form the bedrock of the organization and constitute a pillar of support to the poorest countries. The ability of UNDP to deliver on its strategic plan depends on a sustainable funding base. Investing in regular resources means investing in UNDP systems of accountability, transparency and quality assurance, including oversight functions such as audit, investigation and evaluation, and coordination of the United Nations development system. Declining resources affect the performance of country offices, shifting the focus to resource mobilization at the expense of policy and programme delivery and negatively affecting the ability of UNDP to deliver on its strategic plan.

12. Since 2007, contributions to regular resources have been on a declining trend, reaching their lowest level in 2014.

Figure 1. Contributions to UNDP regular resources, 2007-2014

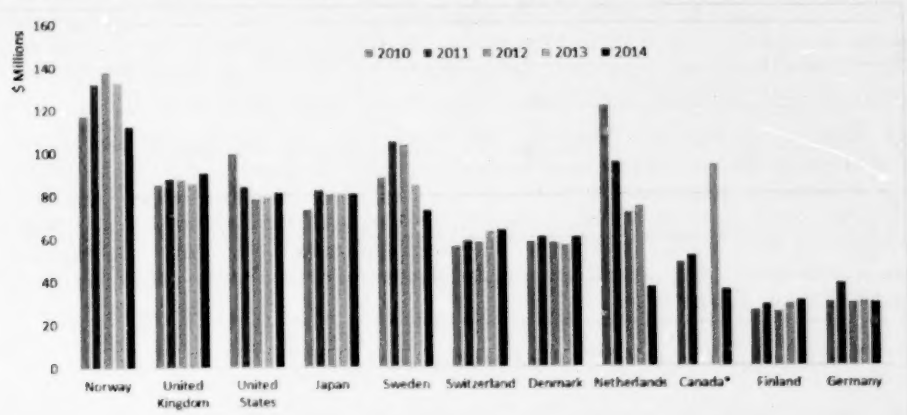


13. Contributions to regular resources for 2014 decreased to $793 million, from $896 million in 2013 – a decrease of 11 per cent – due to reduced contributions from ten donors, currency fluctuations, and non-receipt of contributions intended for 2014.

14. The commitment of Member States to UNDP is reflected in the fact that 56 countries (including 29 programme countries), made contributions to regular resources in 2014 (the same number as in 2013), including 11 countries that increased their contributions. The largest contributors to 2014 regular resources were Norway, the United Kingdom, the United States, Japan, Sweden, Switzerland, Denmark, the Netherlands, Canada, Finland and Germany. The 2014 contribution of Canada was received in 2015. Figure 2, below, shows the contributions of the top donors to regular resources over the last four years.

[5] Executive Board decisions 98/23, 99/1 and 99/23, reaffirmed in decisions 2002/9, 2002/18, 2003/24, 2004/14, 2005/20, 2006/24, 2007/17, 2008/16, 2009/10, 2010/14, 2011/15, 2012/10, 2013/13, and 2014/24.

Figure 2. Top donor country contributors to regular resources, 2010-2014



15. In 2014, three members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) increased their contributions to regular resources in local currency terms (the United States, the Republic of Korea, and Belgium). While eight OECD/DAC members (Norway, Sweden, the Netherlands, Ireland, Italy, Spain, Luxembourg, and Austria) decreased their contributions to regular resources in local currency terms, twelve maintained their 2014 contributions at the same level as in 2013. Five OECD/DAC members – Greece, Iceland, Poland, the Slovak Republic, and Slovenia – did not make regular resources contributions in 2014.

16. In 2014, 25 Member States contributed $1 million or more to regular resources, including 20 of the 28 OECD/DAC members – as well as India, China, Saudi Arabia, Russia, and Turkey – as shown in figure 3, below.

Figure 3. Top 30 Member States contributing to regular resources, 2014

1	Norway	$112,211,221	16	New Zealand	$6,552,007
2	United Kingdom	$90,323,920	17	Korea, Republic of	$6,384,000
3	United States of America	$80,981,100	18	Italy	$4,447,268
4	Japan	$80,472,261	19	India *	$4,300,722
5	Sweden	$72,903,397	20	China	$3,800,000
6	Switzerland	$63,474,388	21	Luxembourg	$3,605,442
7	Denmark	$60,142,154	22	Turkey	$3,000,000
8	Netherlands	$36,764,706	23	Austria	$2,149,660
9	Canada *	$35,573,123	24	Saudi Arabia	$2,000,000
10	Finland	$30,261,348	25	Russian Federation	$1,100,000
11	Germany	$29,108,235	26	Thailand	$865,112
12	Belgium	$23,661,270	27	Kuwait	$570,000
13	France	$18,569,464	28	Iraq	$500,000
14	Australia **	$18,057,922	29	Bangladesh	$400,000
15	Ireland	$11,691,884	30	United Arab Emirates	$324,000

* Contributions for 2014 from Canada and India were received in 2015.
** Excludes contribution of $18,154,657 intended for 2013 but received in 2014.

17. Current projections suggest that, subject to confirmation by some Member States and exchange rate fluctuations, contributions to regular resources in 2015 are expected to total

around $700 million, 12 per cent lower than in 2014. Eight core donors (Australia, Canada, Finland, France, Ireland, Japan, the Netherlands, and Norway) reduced their contributions in 2015, while those who maintained their contribution levels were severely affected by the depreciation of the Euro. With the $793 million received in 2014, total regular resources for 2014-15 will fall below the integrated budget target of $1.75 billion. As of June 2015, UNDP has received 49 per cent of the projected regular resources contributions for 2015.

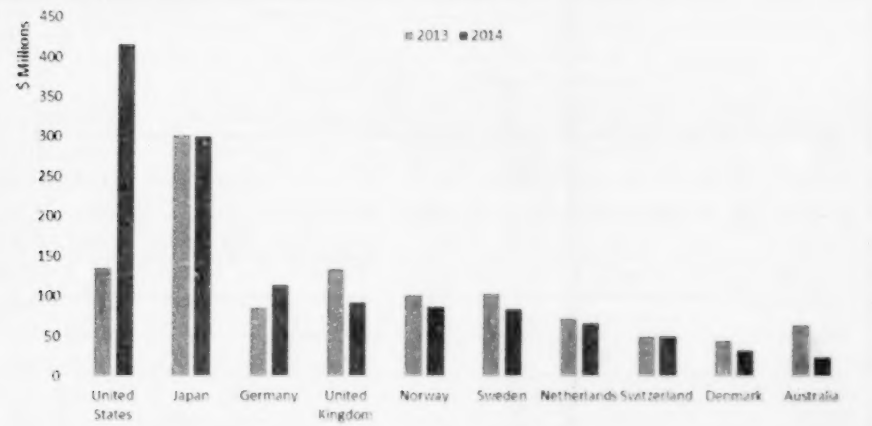
18. Restoring levels and enhancing the predictability of the regular funding of United Nations development activities has been discussed widely, including in the context of the quadrennial comprehensive policy review and corresponding General Assembly resolutions 56/201, 59/250, 62/208 and 67/226. The Executive Board may wish to note, in its forthcoming decision, that predictable, continuous and sustainable regular resources are required for UNDP to achieve its strategic plan objectives and support implementation of the sustainable development goals.

C. Contributions to UNDP other resources

19. Other resources are earmarked to specific themes, programmes and activities, and represent a critical complement to the regular resources base of UNDP. Total other resources contributions to UNDP reached $3.8 billion[6] in 2014, matching the level of other resources received in 2013, and demonstrating that UNDP continues to be a trusted partner to governments in support of national development priorities.

20. Contributions to other resources received from donor country governments amounted to $1.36 billion[7] in 2014, representing an increase of 8 per cent compared to $1.25 billion in 2013. Figure 4, below, shows the comparison of the top 10 donor country contributors to other resources for the past two years. A significant increase in other resources was received from the United States, intended for development interventions in Afghanistan.

Figure 4. Top 10 donor country contributors to other resources



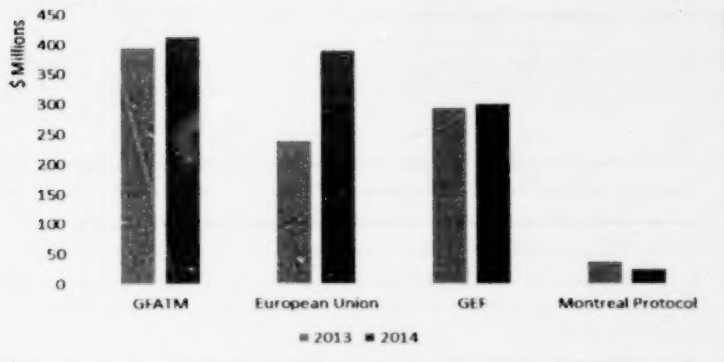
21. Other resources received from multilateral partners, including vertical funds, amounted to $1.56 billion[7] in 2014, an increase of 9.8 per cent, from $1.42 billion in 2013. The European Union, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the Global Environment Facility provided almost 72 per cent of the resources in this category (see figure

[6] Excludes contributions related to reimbursable support services and miscellaneous activities, details of which can be found in the annual review of the financial situation (DP/2015/26).

[7] Excludes contributions related to reimbursable support services and miscellaneous activities, details of which can be found in the annual review of the financial situation (DP/2015/26).

5, below). UNDP was the first United Nations organization accredited to the Green Climate fund, alongside six others from the public and private sectors.

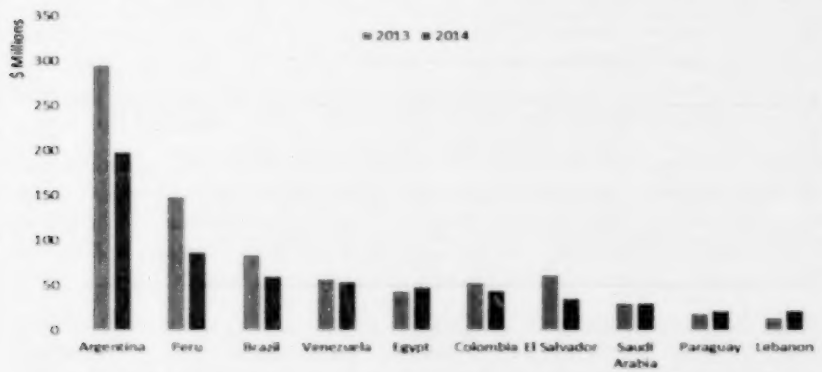
Figure 5. Top multilateral contributors to other resources



GFATM - Global Fund to Fight AIDS, Tuberculosis and Malaria; GEF - Global Environment Facility

22. Contributions to other resources received from programme country governments amounted to $868 million[8] in 2014, a decrease of 21 per cent from the $1.1 billion received in 2013, but exceeding the $750 million integrated budget target by 15.7 per cent. Figure 6, below, shows the top 10 programme country contributors over the past two years.

Figure 6. Top 10 programme country contributors to other resources



III. Predictability

23. As reflected in General Assembly resolution 67/226, and in Executive Board decisions, Member States are encouraged to maintain and substantially increase their voluntary contributions to regular resources and to contribute on a multi-year basis, in a sustained and predictable manner.

24. In line with those decisions[9], Member States are requested to communicate their voluntary contributions to UNDP and its associated funds and programmes as early as

[8] Excludes contributions related to reimbursable support services and miscellaneous activities, details of which can be found in the annual review of the financial situation (DP/2015/26).

[9] Reaffirmed in decisions 99/23, 2000/1, 2002/9, 2004/14, 2005/23, 2006/24, 2007/17, 2008/16, 2009/10, 2009/20, 2010/29, 2011/15, 2012/10, 2013/13, and 2014/24.

possible, and prioritize the allocation of regular resources and less-earmarked other resources that are more predictable, flexible, and aligned with the priorities of the programme countries and the outcomes of the UNDP strategic plan, 2014-2017. Regular and softly earmarked funding – to themes, regions and countries – allows UNDP the flexibility to respond to country needs more effectively, facilitates longer-term planning, and lowers fund administration costs.

25. At the time of preparation of the present report, 38 Member States had indicated their pledges or had already paid their 2015 contributions, as shown in table 1 of the statistical addendum.

26. In its decision 98/23, the Executive Board determined that the predictability of regular resources would be strengthened if Member States announced their payment schedules, with early payment encouraged to ensure effective programming and avoid liquidity constraints in regular resources. As of June 2015, most donors had not provided any fixed payment schedule. However, 27 donors had already paid their contribution in full, or made partial payment towards their 2015 pledges, as shown in table 2 in the statistical addendum.

27. UNDP notes with appreciation the efforts to date of Member States that have paid their contributions early and in full and those that have communicated their payment schedules. Member States that have not already done so are encouraged to inform UNDP of their intended payment schedules and to adhere to them. Predictability is essential for the organization and programme countries to plan ahead strategically.

IV. Diversifying the donor base

28. In its decisions 98/23, 99/1, 2010/14, 2013/13 and 2014/24, the Executive Board recognized that a limited number of Member States contribute to UNDP regular resources and requested UNDP to continue to explore incentives and mechanisms to broaden the donor base, and to support donors in increasing their regular resources contributions as well as shifting to less restricted/earmarked other resources funding.

29. In 2014, 56 Member States contributed to UNDP regular resources. In comparison to other United Nations agencies, funds and programmes, 120 Member States contributed to the regular resources of UNICEF, UNFPA or UN-Women but not to UNDP. In 2015, it is estimated that 85 per cent of UNDP regular resources will be provided by ten donors, a pattern that has been consistent throughout the years.

30. Of the 56 core contributors to UNDP, 29 programme countries contributed $19.2 million to regular resources, a 22.3 per cent increase over the $15.7 million received in 2013. Five partners (China, India, the Russian Federation, Saudi Arabia, and Turkey) made contributions of $1 million or more.

31. In response to Executive Board decisions to ensure a stable, predictable and more diverse regular resources funding base, UNDP has launched a '100 partners' campaign to reach a target of 100 Member States contributing to regular resources by 2017. Expanding the number of core UNDP partners will give significant impetus to its efforts to advance human, sustainable, and resilient development for all countries and peoples.

32. Programme countries also contribute to the other resources of the organization. Many programme countries are actively engaged in South-South cooperation arrangements, contribute towards local office costs and in-kind contributions[10], and contribute substantial resources to development programmes in their respective

[10] Details of government contributions to local office costs and in-kind contributions can be found in the annual review of the financial situation (DP/2015/26)

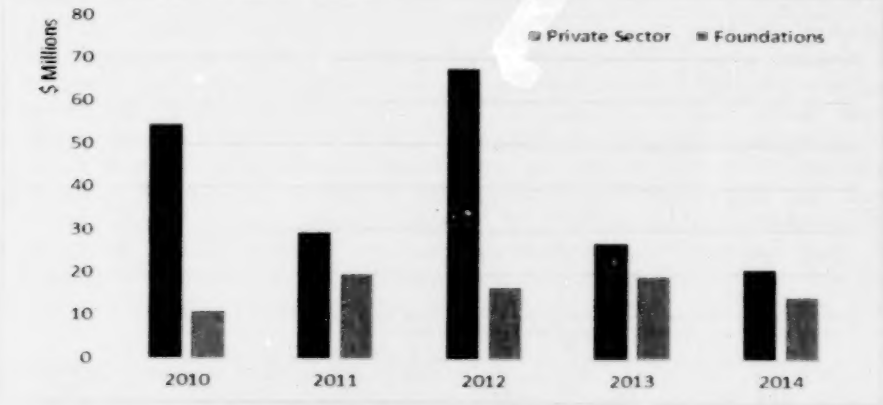
countries. Of the $868 million contributed by programme countries to other resources, 97 per cent went to development programmes in their respective countries.

33. UNDP partnerships with the private sector and foundations aim to contribute to UNDP strategic plan objectives and are aligned with national and local development plans and processes. UNDP has had several successful partnerships with the private sector and foundations, with a modest increase in financial contributions over the last five years. Figure 7, below, shows contributions from the private sector foundations for the 5-year period.

34. In 2014, UNDP received $21 million from the private sector, with the biggest contribution coming from Coca-Cola, at $4.5 million. 'Every Drop Matters', a partnership between UNDP and Coca-Cola since 2006, seeks to improve water supplies and sanitation, and to promote responsible water resource management in 18 countries.

35. The partnership between UNDP and the Bill and Melinda Gates Foundation brought $9.7 million to UNDP in 2014. UNDP implements three large grants from the foundation, with the aim of raising agricultural productivity, strengthening government agricultural agencies and promoting financial inclusion in Ethiopia, Nigeria, and Tanzania. Total contributions from foundations amounted to $14.5 million in 2014.

Figure 7. Contributions to other resources from the private sector and foundations[11]



36. Although the amounts received from the private sector and foundations are relatively small in comparison to the overall UNDP resource envelope, these contributions go beyond their financial benefit. Private sector companies and foundations contribute through the use of their core competencies in different development areas, and provide access to knowledge, technology and innovation. UNDP will revise its private sector and foundations strategy to diversify its funding base and focus on high-engagement sectors that can help leverage implementation of the sustainable development goals.

37. UNDP is also investing in individual fundraising. UNDP is piloting an online digital fundraising programme. The goal is to create robust platform that can be localized and tailored at the country level. These investments, while important for the future sustainability of the UNDP funding base, will only yield funding in the long term. Governmental resources remain critical for successful implementation of the strategic plan.

[11] The increase in contributions from the private sector in 2012 is due primarily to funding received from a number of Brazilian companies (a large amount for Rio +20), which accounted for more than 50 per cent of funding received from the private sector in that year.

V. The United Nations Capital Development Fund and the United Nations Volunteers programme

United Nations Capital Development Fund

38. The United Nations Capital Development Fund (UNCDF) is the capital investment arm of the United Nations for the 48 least developed countries of the world. Established by the General Assembly in 1966, with headquarters in New York, UNCDF is an autonomous United Nations organization affiliated with UNDP.

39. UNCDF uses its capital mandate to help least developed countries pursue inclusive growth. It uses *'smart' official development assistance* to leverage and unlock public and private domestic resources for local development; it promotes *financial inclusion*, including through digital pathways, as a key enabler of poverty reduction and inclusive growth; and it demonstrates how *localizing finance* outside the capital cities can accelerate growth in local economies, promote sustainable and climate resilient infrastructure development, and empower local communities.

40. In *inclusive finance*, UNCDF works with a range of country-based institutions to develop inclusive financial systems and ensure that a range of financial products is available to all segments of society, notably the 'unbanked', at a reasonable cost and on a sustainable basis. UNCDF supports a wide range of providers (such as microfinance institutions, banks, cooperatives, and money transfer companies) and a variety of financial products and services (such as savings, credit, insurance, payments, and remittances). UNCDF also supports newer delivery channels (such as mobile phone networks) that offer relevant potential for scale, and hosts the 'Better Than Cash Alliance', a public-private partnership with the objective of promoting the use of digital payment systems for gains in transparency, cost effectiveness, and outreach. Finally, UNCDF offers an inclusive finance diagnostic tool ('Making Access Possible') and programmatic framework to support the development of national financial inclusion strategies. UNCDF work on local development finance seeks to ensure that people in all regions and locations contribute to and benefit from economic growth. This means dealing with the local challenges of, for example, peri-urban areas and remote rural locations. It means investing domestic resources into local economies and services through, inter-alia, fiscal decentralization, climate finance and project finance.

41. Using grants, soft loans, targeted credit enhancements, and innovative business partnerships, UNCDF tests financial models to show how strategically placed official development assistance can drive *domestic resource mobilization* for local economic development and financial inclusion. By doing so, UNCDF 'de-risks' the local investment space, paving the way for larger and more risk-averse investors to come in and scale up.

42. In 2014, due mainly to increasing other resources, total UNCDF revenue reached a record level of $88.3 million, up from $65.4 million in 2013. The diversification of UNCDF donors remained high, with 44 development partners, up from 36 in 2013 and 29 in 2010. Donor contributions to its 2014 resources included $21.1 million from nine major private sector foundations and corporations, representing 23.8 per cent of total income and 28.8 per cent of other resources. The *10 largest overall donors* to UNCDF in 2014 were: Sweden, the United Nations Multi-Partner Trust Fund, The MasterCard Foundation, the European Commission, Belgium, the Bill and Melinda Gates Foundation, Switzerland, Denmark, Australia, and Luxembourg.

43. Other resources reached a record level of $73.3 million in 2014, an increase of 51 per cent from 2013. Other resources have increased more than 450 per cent over the past seven years (they stood at $13 million in 2007), and are expected to continue to grow in 2015.

44. Contributions to regular resources reached some $14.9 million in 2014 (including a $1.25 million contribution from UNDP for programme support), down from $16.3 million, a decrease of $1.4 million over 2013. The *five largest core donors* (not including UNDP) are Sweden, Switzerland, Belgium, Luxembourg, and the United States of America. Despite considerable improvements in donor diversification and burden-sharing in recent years,

UNCDF continues to be dependent on a limited number of donors for contributions to its regular resources. Regular resources contributions remained well short of the $25 million per year required as a minimum to sustain UNCDF operations in 40 of the 48 least developed countries, as envisaged in the UNCDF strategic framework 2014-2017 presented to the Executive Board in 2014. The shortfall of $10.1 million in regular resources against the strategic framework target is (a) causing country closures; (b) reducing the flexibility of UNCDF to innovate; and (c) constraining the ability of UNCDF to commit to new engagements (such as Ebola recovery and the Central African Republic).

45. The ratio of regular to other resources is approaching 1:4, while the ratio of regular resources to follow-on investments is averaging 1:10 – increasingly originating from least developed country domestic resources (institutional and private investors and governments), thereby making available increasing levels of capital to support the development objectives of least developed countries.

United Nations Volunteers

46. Established by the General Assembly in 1970 and administered by UNDP, the United Nations Volunteers (UNV) programme contributes to peace and development through volunteerism worldwide. Volunteerism is a powerful means of engaging people in tackling development challenges that benefits both society at large and the individual volunteer by strengthening trust, solidarity and reciprocity among citizens. UNV contributes to peace and development by advocating for recognition of volunteers, working with Governments, United Nations organizations, peacekeeping and special political missions, and other partners, to mobilize national and international United Nations Volunteers, including youth volunteers; mobilize online volunteers; advocate for volunteerism globally; support the building of national volunteer capacity; and integrate volunteerism into development programming. Around 2,500 United Nations Volunteers annually make significant contributions to peacekeeping and special political missions of the United Nations.

47. In 2014, the first year of the implementation of the UNV strategic framework, 2014-2017, 6,325 professionally qualified, experienced and committed women and men from 155 countries served as volunteers in 121 countries in support of United Nations system-wide efforts to promote peace and development, including the achievement of the Millennium Development Goals. Eighty-one per cent of the volunteers were nationals of developing countries, reaffirming the UNV programme as a concrete expression of South-South cooperation. In financial terms, the programme exceeded $174 million, almost 3.4 per cent of which was financed from the Special Voluntary Fund.

48. Donor contributions continued to be critical in the development of volunteerism programming and mobilizing volunteers. In 2014, in line with its budget strategy, UNV continued its efforts to enhance, widen and diversify partnerships, with a particular focus on the Special Voluntary Fund, the UNDP/UNV Youth Volunteer Trust Fund, cost sharing and fully funded volunteers. To that end, as outlined in its strategic framework, UNV has launched four global programmes in the priority areas of securing access to basic social services, community resilience for environment and disaster risk reduction, peacebuilding, and youth. A fifth global programme, in the priority area of the national capacity development through volunteer schemes, will be launched in 2015.

49. The Special Voluntary Fund enables the UNV programme to cultivate diversified approaches that widen volunteer opportunities and deepen the programmatic integration of volunteerism for peace and development. Although it is a modest fund, its importance cannot be overstated, taking into account lack of access to regular resources programme funding for UNV. From research-based projects to pilot interventions in areas such as youth volunteering and sustainable development, the Special Voluntary Fund is a catalyst for innovation and leveraging additional external resources, serving as a vital foundation for the evolution of the voluntary sector. Contributions to the Special Voluntary Fund decreased by 4.5 per cent, from $4.4 million in 2013 to $4.2 million in 2014, reflecting historical fluctuations of the annual contributions to the fund. In this context, it also needs to be taken into consideration that dollar exchange rates (particularly against European Union currencies) have had an impact on

the overall dollar contributions over the years. Given the critical role of resources from the Special Voluntary Fund, the UNV programme is continuously seeking to increase contributions to the Fund so as to further explore, expand and strengthen the role of volunteerism and its contributions to development, through, for example, the second State of the World's Volunteerism Report, which was launched in 2015. In 2014, UNV published the Special Voluntary Fund report covering the period 2009-2013, and will continue to ensure the effective use of resources and results reporting.

50. Contributions (including multi-year contributions) received for fully funded United Nations Volunteers increased by 3.2 per cent, from $9.4 million in 2013 to $9.7 million in 2014, including contributions for fully funded United Nations Youth and University Volunteers. UNV continued to diversify its funding sources through various partnership initiatives, including South-South cooperation. In 2014, UNV organized the first UNV Partnerships Forum, convening a multi-stakeholder gathering around the theme 'innovation and volunteer action, from both the North and the South'.

51. To support the United Nations Youth Volunteers programme, which seeks to facilitate the engagement of youth in global peace and sustainable human development through volunteerism, bringing the voice of youth into the development discourse and helping young people to realize their full social, economic and human potential, the UNDP/UNV Youth Volunteer Trust Fund was established at the end of 2012, and contributions were received from the Government of Germany in 2013 and 2014. With the roll-out of the Youth global programme, strong emphasis will be placed on the resource mobilization aspect as a prerequisite to successful implementation and delivery of the desired results.

VI. Conclusion

52. The strategic plan, 2014-2017, shows a clear link between development results and the financial resources required to deliver them. Delivering on the strategic plan requires adequate and predictable funding to ensure strategic focus, together with tactical flexibility and the ability to respond to crises and opportunities.

53. UNDP is funded from a variety of sources – including OECD/DAC members, programme countries, the private and philanthropic sectors, and global and vertical funds, as well as multilateral partners, including international financial institutions – and continues to value all types of funding that allow the organization to deliver on its commitment to achieve poverty eradication and significant reductions in inequality and exclusion.

54. The overall level of resources entrusted to UNDP demonstrates the degree of support extended to the organization by Member States and other partners. The ability of UNDP to perform at a high level is, nevertheless, heavily reliant on regular resources, not least because they form a pillar of our support to the world's poorest countries.

55. Regular resources support the great bulk of costs of the United Nations resident coordinator system, which UNDP leads and which ensures coordination of United Nations country teams around the world. They also fund our high standards of quality assurance and transparency, including our 2014 Aid Transparency Index ranking as the world's most transparent aid organization. Finally, they enable us to respond quickly to crises – for example, responding to pressing needs in the Ebola epicentre countries in West Africa.

56. While 90 per cent of regular programme resources are allocated to low-income countries, regular resources remain central to ensuring adequate support to middle-income countries, where for each $1 in regular resources UNDP can leverage approximately $25 in other resources. Regular resources enable us to respond flexibly to demands at the country level and have been instrumental in strengthening UNDP support to South-South and triangular cooperation, not only through the funding of the United Nations Office for South-South Cooperation, but also by providing seed resources for individual UNDP programmes.

57. Declining regular resources and a high concentration of earmarked funds put the organization at risk of not having the requisite capacity to deliver its programmes. Only a predictable and more diverse regular resources base, and more flexible, less 'earmarked' other resources, will provide the foundation to respond to the needs of programme countries.

58. The absence of multi-year commitments from a number of partners remains a concern for the organization in its ability to plan ahead and sustain its multilateral and universal character. Furthermore, lack of predictability or early payment increases the vulnerability of the organization to exchange rate fluctuations, negatively affecting its core liquidity.

59. UNDP is committed to working with its partners to diversify its funding base. The roll-out of the '100 Partners' campaign to increase contributions from existing partners and to increase the number of contributors to regular resources can succeed only with the full support of Member States.

60. UNDP has incorporated specific, substantive opportunities for partnerships with the private sector, foundations, and financial institutions into its areas of work. It will continue to promote public-private partnerships, using partners' core competencies and access to knowledge, technology and innovation.

61. UNDP will continue to engage with the Executive Board and seek the support of Member States to ensure that the principles of predictability, universality and progressivity can be sustained. UNDP urges Member States to increase their voluntary contributions, in a manner consistent with their capacities, and to contribute on a multi-year basis, in a sustained and predictable manner, so that UNDP can deliver the results of the strategic plan and lead the United Nations system in the post-2015 development agenda.